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Please find below and/or attached an Office communication concerning this application or proceeding.

The time period for reply, if any, is set in the attached communication.

Office Action Summary	Application No.	Applicant(s)	
	10/770,937	GROSS, JOHN N.	
	Examiner	Art Unit	
	Nicholas D. Rosen	3625	

-- The MAILING DATE of this communication appears on the cover sheet with the correspondence address --

Period for Reply

A SHORTENED STATUTORY PERIOD FOR REPLY IS SET TO EXPIRE 3 MONTH(S) OR THIRTY (30) DAYS, WHICHEVER IS LONGER, FROM THE MAILING DATE OF THIS COMMUNICATION.

- Extensions of time may be available under the provisions of 37 CFR 1.136(a). In no event, however, may a reply be timely filed after SIX (6) MONTHS from the mailing date of this communication.
- If NO period for reply is specified above, the maximum statutory period will apply and will expire SIX (6) MONTHS from the mailing date of this communication.
- Failure to reply within the set or extended period for reply will, by statute, cause the application to become ABANDONED (35 U.S.C. § 133). Any reply received by the Office later than three months after the mailing date of this communication, even if timely filed, may reduce any earned patent term adjustment. See 37 CFR 1.704(b).

Status

1)☒ Responsive to communication(s) filed on *11 April 2007*.

2a)☒ This action is **FINAL**. 2b)☐ This action is non-final.

3)☐ Since this application is in condition for allowance except for formal matters, prosecution as to the merits is closed in accordance with the practice under *Ex parte Quayle*, 1935 C.D. 11, 453 O.G. 213.

Disposition of Claims

4)☒ Claim(s) *1-36* is/are pending in the application.

4a) Of the above claim(s) _____ is/are withdrawn from consideration.

5)☐ Claim(s) _____ is/are allowed.

6)☒ Claim(s) *1-36* is/are rejected.

7)☐ Claim(s) _____ is/are objected to.

8)☐ Claim(s) _____ are subject to restriction and/or election requirement.

Application Papers

9)☐ The specification is objected to by the Examiner.

10)☒ The drawing(s) filed on *02 February 2004* is/are: a)☒ accepted or b)☐ objected to by the Examiner.

Applicant may not request that any objection to the drawing(s) be held in abeyance. See 37 CFR 1.85(a).

Replacement drawing sheet(s) including the correction is required if the drawing(s) is objected to. See 37 CFR 1.121(d).

11)☐ The oath or declaration is objected to by the Examiner. Note the attached Office Action or form PTO-152.

Priority under 35 U.S.C. § 119

12)☐ Acknowledgment is made of a claim for foreign priority under 35 U.S.C. § 119(a)-(d) or (f).

a)☐ All b)☐ Some * c)☐ None of:

1.☐ Certified copies of the priority documents have been received.

2.☐ Certified copies of the priority documents have been received in Application No. _____.

3.☐ Copies of the certified copies of the priority documents have been received in this National Stage application from the International Bureau (PCT Rule 17.2(a)).

* See the attached detailed Office action for a list of the certified copies not received.

Attachment(s)

1) ☒ Notice of References Cited (PTO-892)
2) ☐ Notice of Draftsperson's Patent Drawing Review (PTO-948)
3) ☒ Information Disclosure Statement(s) (PTO/SB/08) Paper No(s)/Mail Date *1/11/2007*.
4) ☐ Interview Summary (PTO-413) Paper No(s)/Mail Date. _____ .
5) ☐ Notice of Informal Patent Application
6) ☐ Other: _____.

DETAILED ACTION

Claims 1-36 have been examined.

Claim Objections

Claims 12 and 13 are objected to because of the following informalities: In the third and fourth lines of claim 12, "an embedded embedded uniform resource links" should be either "an embedded uniform resource link" or "embedded uniform resource links". Note that there are two errors: the repetition of "embedded", and the inconsistency between "an" and the plural of "links". In the fourth and fifth lines of claim 12, "said electronic notification" technically poses an antecedent basis problem, because the previous references to the notification do not specify that it is electronic. In the sixth line of claim 12, "said recommender system" technically lacks antecedent basis. Appropriate correction is required.

Claim Rejections - 35 USC § 103

The following is a quotation of 35 U.S.C. 103(a) which forms the basis for all obviousness rejections set forth in this Office action:

> (a) A patent may not be obtained though the invention is not identically disclosed or described as set forth in section 102 of this title, if the differences between the subject matter sought to be patented and the prior art are such that the subject matter as a whole would have been obvious at the time the invention was made to a person having ordinary skill in the art to which said subject matter pertains. Patentability shall not be negatived by the manner in which the invention was made.

Claims 1-34

Claims 1, 2, 3, 4, 7, 8, 15, 17, 18, 19, 22, 23, 24, 28, 29, 30, and 31 are rejected under 35 U.S.C. 103(a) as being unpatentable over Hastings et al. (U.S. Patent

6,584,450) in view of Ostrom ("With Newer Releases, Netflix Users Can Anticipate a 'Very Long Wait'"). As per claim 1, Hastings discloses a method of distributing playable media items over an electronic network from a first computer maintained by a provider of a media distribution service to a device used by a subscriber of such service, the playable media items corresponding to machine readable media readable by a subscriber machine player, the method comprising the steps of: (a) setting up a subscriber delivery queue for the subscriber to be controlled by the first computer, said subscriber delivery queue consisting of an ordered list of one or more playable media items to be delivered to the subscriber in a subscriber-defined priority, wherein said subscriber delivery queue is set up at least in part in response to item selection directions provided by the subscriber over the network (column 4, lines 14-34; column 9, line 47, through column 10, line 14; Figure 7; column 11, line 49, through column 13, line 53); (b) setting up queue replenishment rules for the subscriber delivery queue; and (c) monitoring said subscriber delivery queue in accordance with said queue replenishment rules; wherein said subscriber delivery queue is maintained automatically for the subscriber so as to include at least one playable media item which could be delivered to such subscriber (ibid.). Between the teaching of Hastings that the customer provides movie selection criteria (column 9, line 47, through column 10, line 14), and the teachings of a first computer carrying our operations (column 11, line 49, through column 13, line 53) and delivering products to subscribers (column 8, line 6, through column 9, line 39), automatically determining with the first computer if an additional media item should be added to the subscriber delivery queue is obvious and implied.

Hastings does not expressly disclose a second computer used by the subscriber, but the disclosure of Internet communication and a web browser (e.g., column 9, lines 47-62) implies such a second computer. Selecting more movies in accordance with the queue replenishment rules implies modifying the subscriber delivery queue to generate a new ordered list of one or more playable media items (e.g., to include a new release with the subscriber's favorite stars, which is adding an additional playable media item), Hastings does not disclose (d) automatically modifying the subscriber delivery queue with said first computer to generate a new ordered list of one or more playable media items in response to the subscriber confirming that said additional playable media item can be included in the subscriber delivery queue. However, Ostrom teaches modifying the subscriber queue based on a confirmation from the subscriber to assure that new releases be included at the top (paragraph beginning, "Selecting from Nearly 12,000 Titles"), and Hastings teaches the first computer automatically carrying out operations (column 11, line 49, through column 13, line 53). Hence, it would have been obvious to one of ordinary skill in the art of electronic commerce at the time of applicant's invention to do this, for the stated advantage of ensuring subscribers that they will receive new releases (or other preferred movies, presumably).

As per claim 2, there is no suggestion in Hastings that the subscriber needs to be connected while the computer performs step (c).

As per claim 3, Ostrom teaches subscribers reordering their delivery sequences, implying such an ordered list from a first item to a last (ibid.).

As per claim 4, Ostrom teaches the additional playable media item being inserted in a subscriber-defined delivery order position (ibid.), and given the teaching of Hastings of a computer carrying out operations (column 11, line 49, through column 13, line 53), doing this automatically is held to be obvious and implied.

As per claim 7, Hastings discloses delivering the new playable media items to the subscriber (ibid.).

As per claim 8, Hastings does not expressly disclose that step (d) is performed automatically with sending a further notification to the subscriber, but there is no disclosure that a further notification to the subscriber is sent, and the teaching of Ostrom that most users don't remember which movies are on the top of their lists anyway (bottom paragraph on first page) implies that subscribers are not notified.

As per claim 15, Hastings discloses a trigger event to determine delivery of an item to a subscriber (column 5, lines 1-14; column 14, lines 1-17), which implies modifying the subscriber delivery queue (at least by deleting the item now delivered).

As per claim 17, Hastings discloses a determination by an item recommendation system that an additional playable media item should be added to the subscriber delivery queue as a recommended playable item (ibid., as applied to claim 1), implying a trigger event associated with such a determination (e.g., when a new movie with a subscriber's favorite actor is released).

As per claim 18, Ostrom discloses that the recommended playable media item can be designated as the next to be delivered from the subscriber delivery queue (ibid., as applied to claim 1).

As per claim 19, Hastings discloses that the additional playable media item is determined by a recommender system of the media distribution service which automatically identifies items of interest based on a subscriber preference profile (ibid., as applied to claim 1).

As per claim 22, Hastings discloses that queue replenishment control rules for the subscriber delivery queue can be set up automatically for the subscriber based on an evaluation of item preferences determined for the subscriber (column 9, line 63, through column 10, line 14).

As per claim 23, Hastings discloses that queue replenishment control rules for the subscriber delivery queue can be set up by the subscriber (column 9, line 63, through column 10, line 14).

As per claim 24, Hastings does not expressly describe moving an item from the subscriber to a shipping queue when the subscriber is eligible to receive an additional item, but does disclose shipping items to subscribers, and, once shipped, the items would presumably not remain on the queue of items to be delivered, so defining the record where the items would then be listed as a shipping queue is trivial.

As per claim 28, Hastings discloses that the media distribution service distributes movies to subscribers (ibid.)

As per claim 29, Hastings discloses that the media distribution service is an Internet based movie rental service, and the playable media items are recordings of movies that are mailed to subscribers (ibid., and column 10, lines 29-41).

As per claim 30, Hastings discloses that the subscriber can have a predetermined number of recordings checked out, by implication for a flat fee (columns 5 and 6, "MAX OUT").

As per claim 31, Hastings discloses that a subscriber is charged an additional fee when an additional playable media item is distributed (column 6, lines 14-29).

Claim 5 is rejected under 35 U.S.C. 103(a) as being unpatentable over Hastings and Ostrom as applied to claim 3 above, and further in view of Raphel et al. (U.S. Patent Application Publication 2003/0023743). Hastings does not disclose automatically inserting an additional item as the first item to be delivered, but it is well known to add items to the top of a list, as taught, for example, by Raphel (paragraph 61). Hence, it would have been obvious to one of ordinary skill in the art of electronic commerce at the time of applicant's invention to do so, for the obvious advantage of making an especially desired item available as soon as possible.

Claim 6 is rejected under 35 U.S.C. 103(a) as being unpatentable over Hastings and Ostrom as applied to claim 3 above, and further in view of Berstis (U.S. Patent 6,105,021). Hastings does not disclose automatically inserting an additional item as the last item to be delivered, but it is well known to add items to the bottom of a list, as taught, for example, by Berstis (column 8, lines 40-45). Hence, it would have been obvious to one of ordinary skill in the art of electronic commerce at the time of applicant's invention to do so, for the obvious advantage of enabling higher-priority items to be delivered first.

Claim 9 is rejected under 35 U.S.C. 103(a) as being unpatentable over Hastings and Ostrom as applied to claim 1 above, and further in view of Postelnik et al. (U.S. Patent Application Publication 2006/0218054). Hastings does not disclose sending a notification to the subscriber after step (c) when the queue replenishment control rules determine that the subscriber delivery queue should be modified, but it is well known to send customers notifications of pending deliveries, modifications to their orders, etc., as taught, for example, by Postelnik (paragraph 74). Hence, it would have been obvious to one of ordinary skill in the art of electronic commerce at the time of applicant's invention to send such a notification, for such obvious advantages as assuring a subscriber of the imminent shipment of desired items, or enabling a subscriber to modify his preference list to receive a more desired item (as set forth in Ostrom).

Claims 10 and 11 are rejected under 35 U.S.C. 103(a) as being unpatentable over Hastings, Ostrom, and Postelnik as applied to claim 9 above, and further in view of official notice. As per claim 10, official notice is taken that sending notification that something should be done, or has been done, does not necessarily trigger doing it. Hence, it would have been obvious to one of ordinary skill in the art of electronic commerce at the time of applicant's invention for the notification not to automatically trigger a modification of the subscriber delivery queue, for the obvious advantage of not changing the queue of whose current state notification had just been sent.

As per claim 11, Hastings discloses modifying the subscriber delivery queue in accordance with queue replenishment rules (ibid., as applied to claim 1 above), and if one is modifying the queue, and sending a notification, sending a notification of how one

is modifying the queue is trivial. (This particular information could be considered non-functional descriptive material in any case.)

Claim 12 is rejected under 35 U.S.C. 103(a) as being unpatentable over Hastings, Ostrom, and Postelnik as applied to claim 9 above, and further in view of Jacobi et al. (U.S. Patent 6,317,722). Hastings discloses modifying the subscriber delivery queue in accordance with queue replenishment rules (ibid., as applied to claim 1 above), and if one is modifying the queue, and sending a notification, sending a notification of how one is modifying the queue is trivial. Hastings does not disclose that the notification includes an embedded uniform resource link (URL) or an electronic response field in the notification so as to allow the subscriber to review playable media title recommendations from a recommender system, but Jacobi teaches notifications including hyperlinks to allow a user to review recommendations from a recommender system (column 10, lines 54-62). Hence, it would have been obvious to one of ordinary skill in the art of electronic commerce at the time of applicant's invention for the notification to include an embedded uniform resource link (URL) or an electronic response field, for the obvious advantage of profiting from selling (or renting) items to the subscriber that the subscriber is likely to be interested in.

Claim 13 is rejected under 35 U.S.C. 103(a) as being unpatentable over Hastings, Ostrom, Postelnik, and Jacobi as applied to claim 12 above, and further in view of Davis et al. (U. S. Patent 6,105,006). Hastings does not disclose that the subscriber delivery queue is automatically modified in accordance with the queue replenishment rules after a predefined time delay, but it is well known to take action

after a predefined time delay, as taught, for example, by Davis (column 23, lines 16-26). Hence, it would have been obvious to one of ordinary skill in the art of electronic commerce at the time of applicant's invention for the subscriber delivery queue to be automatically modified in accordance with the queue replenishment rules after a predefined time delay, for at least the obvious advantage of giving someone (the subscriber, or an administrator), time to make any manual modification which seem indicated.

Claim 14 is rejected under 35 U.S.C. 103(a) as being unpatentable over Hastings, Ostrom, and Postelnik as applied to claim 9 above, and further in view of Nakagawa (U.S. Patent Application Publication 2002/0046129). Hastings does not disclose that the notification provides directions for the subscriber to accept and/or modify said additional playable media item, but Ostrom, as noted, discloses the subscriber modifying (or, by default, accepting) a list, and it is well known to provide directions, as taught, for example, by Nakagawa (display of directions in paragraph 41). Hence, it would have been obvious to one of ordinary skill in the art of electronic commerce at the time of applicant's invention to provide such directions, for the obvious advantage of enabling the subscriber to readily modify (or accept) the queue according to his wishes.

Claim 16 is rejected under 35 U.S.C. 103(a) as being unpatentable over Hastings and Ostrom as applied to claim 15 above, and further in view of Kamel et al. (U.S. Patent Application Publication 2001/0014145). Hastings does not disclose that the trigger event is associated with a quantity of playable media items remaining in said

subscriber delivery queue, but a trigger event could be associated with a quantity of playable media items remaining in the delivery queue in several ways (e.g., the queue might have become too large or too small), and it is well known at least to add additional items to a queue which has become too small, as taught, for example, by Kamel (paragraphs 161, 162, 167, and 168). Hence, it would have been obvious to one of ordinary skill in the art of electronic commerce at the time of applicant's invention for the trigger event to be associated with a quantity of playable media items remaining in said subscriber delivery queue, for the obvious advantage of assuring an adequate quantity of playable media items in the queue.

Claims 20 and 25 are rejected under 35 U.S.C. 103(a) as being unpatentable over Hastings and Ostrom as applied to claim 19 above, and further in view of official notice. Hastings does not disclose processing an item rating survey provided by the subscriber to determine a subscriber item preference profile suitable for use by the recommender system, but official notice is taken that it is well known to process item rating surveys to determine preference profiles for use in recommending items. Hence, it would have been obvious to one of ordinary skill in the art of electronic commerce at the time of applicant's invention to do so, for the obvious advantage of recommending items likely to be of interest to subscribers, and thus making subscriptions more attractive, and collecting corresponding fees.

Claim 21 is rejected under 35 U.S.C. 103(a) as being unpatentable over Hastings and Ostrom as applied to claim 1 above, and further in view of official notice. As per claim 21, Hastings does not disclose that the additional playable media item is randomly

selected from a list of playable media items associated with a category selected by the user, although Hastings discloses the user selecting a category (column 8, lines 6-65). However, official notice is taken that it is well known to select an item at random from a list. Hence, it would have been obvious to one of ordinary skill in the art of electronic commerce at the time of applicant's invention to do so, for the obvious advantage of providing a recommended item that would have had to be chosen somehow, perhaps in the absence of any particular known reason to choose one item from a category rather than another.

Claim 26 is rejected under 35 U.S.C. 103(a) as being unpatentable over Hastings and Ostrom as applied to claim 1 above, and further in view of official notice. Hastings does not disclose receiving subscriber feedback concerning selection of said additional playable media item, but official notice is taken that it is well known to receive feedback from subscribers or other customers. Hence, it would have been obvious to one of ordinary skill in the art of electronic commerce at the time of applicant's invention to do so for the obvious advantage of recommending items likely to be of interest to subscribers, and thus making subscriptions more attractive, and collecting corresponding fees.

Claim 27 is rejected under 35 U.S.C. 103(a) as being unpatentable over Hastings and Ostrom as applied to claim 1 above, and further in view of official notice. Hastings does not disclose that a subscriber is charged a fee when an additional playable media item is moved to the subscriber delivery queue, but official notice is taken that it is well known to charge fees for various services or at various steps of a process. Hence, it

would have been obvious to one of ordinary skill in the art of electronic commerce at the time of applicant's invention to do so, for the obvious advantage of profiting from such fees.

Claims 32, 33, and 34 are rejected under 35 U.S.C. 103(a) as being unpatentable over Hastings and Ostrom as applied to claim 28 above, and further in view of official notice. Hastings does not disclose that the movies are distributed electronically to the subscribers, or that the delivery is by satellite transmission or broadband Internet-based connection, but official notice is taken that it is well known to distribute movies, electronically, by satellite transmission, or by broadband Internet-based connection. Hence, it would have been obvious to one of ordinary skill in the art of electronic commerce at the time of applicant's invention to do so, for the obvious advantage of getting movies to customers without the delays of mailing or physical delivery.

Claim 35

Claim 35 is rejected under 35 U.S.C. 103(a) as being unpatentable over Hastings et al. (U.S. Patent 6,584,450) in view of Ostrom ("With Newer Releases, Netflix Users Can Anticipate a 'Very Long Wait'"). Hastings discloses a method of distributing playable media items comprising the steps of: (a) setting up a subscriber selection queue for the subscriber to be controlled by the first computer, said subscriber selection queue consisting of a list of one or more playable media items; wherein said subscriber selection queue is set up at least in part in response to item selection directions provided by the subscriber; (b) setting up queue replenishment control rules for the

subscriber selection queue; and (c) monitoring said subscriber selection queue in accordance with the queue replenishment control rules to determine if changes should be made to the subscriber selection queue; wherein said subscriber delivery queue is maintained automatically for the subscriber to include at least one playable media item which could be delivered to such subscriber (column 4, lines 14-34; column 9, line 47, through column 10, line 14). Between the teaching of Hastings that the customer provides movie selection criteria (column 9, line 47, through column 10, line 14), and the teachings of a first computer carrying our operations (column 11, line 49, through column 13, line 53) and delivering products to subscribers (column 8, line 6, through column 9, line 39), automatically determining with the first computer if changes should be made to the subscriber selection queue is obvious and implied. It is likewise obvious for the monitoring to include analyzing the content and/or characteristics of other playable media items within the selection queue to determine the changes, so as to accomplish the disclosed purpose of provide the subscriber with movies according his selected criteria, as taught by Hastings. Hastings discloses modifying the subscriber selection queue to generate a new list of one or more playable media items (ibid., the generation of a new list being implied by the release of new movies with the subscriber's favorite actor or other specified characteristics), but Hastings does not disclose (d) modifying the subscriber selection queue to generate a new list of one or more playable media items based on a confirmation from the subscriber. However, Ostrom teaches modifying the subscriber queue based on a confirmation from the subscriber (paragraph beginning, "Selecting from Nearly 12,000 Titles"), and Hastings

teaches a computer automatically carrying out operations (column 11, line 49, through column 13, line 53). Hence, it would have been obvious to one of ordinary skill in the art of electronic commerce at the time of applicant's invention to do this, for the stated advantage of ensuring subscribers that they will receive new releases (or other preferred movies, presumably).

Claim 36

Claim 36 is rejected under 35 U.S.C. 103(a) as being unpatentable over Hastings et al. (U.S. Patent 6,584,450) in view of Kolawa et al. (U.S. Patent 6,370,513) and official notice. Hastings discloses a method of distributing playable media items over an electronic network to a subscriber of a media rental service, the method comprising the steps of: (a) receiving subscriber preference data for the subscriber during a first data session network (column 4, lines 14-34; column 9, line 47, through column 10, line 14); (b) generating a subscriber profile for the subscriber suitable for use by a recommender system; and (c) processing said subscriber profile using said recommender system to identify a media item that is likely to be of interest to the subscriber; wherein said media item can be automatically shipped to the subscriber after said first data session, and without requiring a second data session by the subscriber with said media rental service (ibid.; and Figure 7; column 12, lines 21-38). Hastings discloses various options for mailing or shipping the media item to the subscriber, and shipping the item to the subscriber (column 4, lines 22-34), but does not disclose that receiving subscriber preference data includes receiving notification and shipment options, and does not disclose notifying the subscriber. However, official notice is taken that it is well known

to receive notification and shipping options (e.g., a mailing address to which an item is to be shipped, whether an item is to be shipped by regular or high-priority delivery, a telephone number or email to which notification is to be sent), and perform notification and/or shipping in accordance with the received option information. Hence, it would have been obvious to one of ordinary skill in the art of electronic commerce at the time of applicant's invention to receive notification and shipment options perform notification and/or shipping in accordance therewith, for such obvious advantages of arranging for shipment to the proper address, notification to assure the subscriber that the media item was on its way, shipment with the degree of priority that the subscriber wanted and was willing to pay for, etc.

Hastings does not expressly disclose (e) repeating step (c) to automatically select and maintain at least one media item, but does disclose providing new releases to subscribers (ibid. and also column 11, lines 26-45), as does Ostrom, which implies repeating step (c) as new releases become available, to determine which subscribers are likely to be interested in which new releases. Hastings does not disclose (f) enabling the subscriber to accept delivery of said at least one additional media item and/or select another media item, but it is well known to enable a customer to accept a recommended item, and/or select another item, as taught, for example, by Kolawa (column 20, lines 7-25). Hence, it would have been obvious to one of ordinary skill in the art of electronic commerce at the time of applicant's invention to enable the subscriber to accept delivery of said at least one additional media item and/or select another media item, for the obvious advantage of providing the subscriber with a media

item likely to be to his taste, thereby making people more likely to see subscribing as worth the money.

Response to Arguments

Applicant's arguments filed April 11, 2007, have been fully considered but they are not persuasive. Applicant argues that the Ostrom reference does not in fact teach, "modifying the subscriber queue based on a confirmation from the subscriber." Examiner replies that Ostrom does teach the subscribers adjusting their preference lists to keep new releases on top, or else the subscribers could adjust their preference lists to change what was on top. This can properly be viewed as modifying the queue based on confirmation from the subscriber. Applicant further argues that claim 1 has been amended to read that the subscriber delivery queue is "maintained automatically for the subscriber to always include at least one playable media item which could be delivered to such subscriber." Examiner replies that this limitation is met by Hastings, who discloses a method where a delivery queue which always includes at least one playable media item which could be delivered to such subscriber. Hastings does not disclose that the same playable media item is always maintained on the queue, and Ostrom teaches that it can be a problem that this is not the case. However, Applicant has not made this an actual claim limitation, and Examiner should properly give claims the broadest reasonable interpretation in the course of examination.

Applicant argues with regard to claims 4-6 that Ostrom is not referring to an additional playable media item, but to re-arranging a preexisting item in the subscriber's

queue, or letting the subscriber add something manually. Examiner replies that when the subscriber submits a re-arrangement, or adds something manually, it is obvious for the computer system disclosed in Hastings to respond automatically. Moreover, the word "automatically" cannot be read too broadly without self-contradiction, since Applicant's claim 1, as amended, recites, "(d) automatically modifying said subscriber with said first computer . . . in response to the subscriber confirming. . ." Thus, even if the subscriber inputs information manually, the word "automatically" still describes the operation of the system, which does not require manual operation at the media item rental business's end.

Regarding claims 5 and 6, Examiner has made prior art of record to support his taking of official notice that it is well known to add items to the top or bottom of a list.

In response to applicant's argument that "this basic statement must be tied to the specific field of art in question," or be nonanalogous art, it has been held that a prior art reference must either be in the field of applicant's endeavor or, if not, then be reasonably pertinent to the particular problem with which the applicant was concerned, in order to be relied upon as a basis for rejection of the claimed invention. See *In re Oetiker*, 977 F.2d 1443, 24 USPQ2d 1443 (Fed. Cir. 1992). In this case, adding items to the top or bottom of a list is pertinent to the problem of maintaining and ordering a queue. Furthermore, the Supreme Court has ruled in *KSR International Co. v. Teleflex Inc.*, 82 USPQ2d 1385, that in judging obviousness, one can take account of inferences and creative steps that a person of ordinary skill in the art would employ, that a person of ordinary skill in the art has good reason to pursue known options within his or her

technical grasp, and that rigid application of preventative rules that deny fact finders recourse to common sense is neither necessary nor consistent with precedent.

Regarding claim 9, Postelnik has been made of record to teach providing notification; while it may be true that Netflix had been in operation for several years without providing such notification, Examiner holds that this is not sufficient to make the feature non-obvious. Once again, a feature may be obvious if reasonably pertinent to the particular problem with which the applicant was concerned, and fact finders are not denied access to common sense. It is not requisite for a particular element to have been anticipated by the nearest prior art of record to be obvious, or else 35 U.S.C. 103 would be essentially abolished, and only rejection for anticipation under 35 U.S.C. 102 would remain. The same counterarguments apply in response to Applicant's arguments regarding claims 12, 13, 14, and 16.

Regarding claims 17 and 19, Applicant argues that Hastings does not disclose that the recommender system does not describe that such system automatically adds titles to the subscriber's queue. Examiner reiterates that doing this automatically is obvious given the disclosure of the recommendation system, and of the computer system in Hastings. Regarding claim 18, some recommended item has to be designated as the next to be delivered.

Regarding claim 22, Examiner observes that it has not been "further amended to distinguish over the prior art," but merely amended to correct a minor informality.

Examiner agrees that claim 35 has indeed been amended similarly to claim 1, but does not find claim 35 allowable, much as claim 1 has not been found allowable.

Applicant has traversed Examiner's takings of official notice for claims 5, 6, 9, 12, 13, 14, and 16, in response to which Examiner has made prior art of record to support the assertions of fact which previously rested upon official notice. The other common knowledge or well-known in the art statements in the previous office action are taken to be admitted prior art, because Applicant did not traverse Examiner's taking of official notice for other claims.

Applicant's arguments with respect to claims 12 and 36 in particular have been considered but are moot in view of the new ground(s) of rejection applied in response to Applicant's amendments.

Conclusion

The prior art made of record and not relied upon is considered pertinent to applicant's disclosure. Khoo et al. (U.S. Patent 6,735,778) disclose a method and system for providing home shopping programs. Agresta et al. (U.S. Patent Application Publication 2006/0031551) disclose a system, device, and method for remotely providing, accessing, and using personal entertainment media.

Ling et al. ("Using Two Object-Oriented Modelling Techniques: Specifying the Just-in-Time Kanban System") disclose, inter alia, adding an item to the end of a queue (paragraph beginning, "In the JIT system, kanbans and containers are placed"). The anonymous article, "Netflix IPO Tops Expectations, Stock's Debut Dazzles," discloses queues in the Netflix system. The anonymous article, "Apple Announces iTunes 3; Now

With Revolutionary Smart Playlists, Audible.com & Sound Check," discloses automatically updating playlists based on rules set by a user.

Applicant's amendment necessitated the new ground(s) of rejection presented in this Office action. Accordingly, **THIS ACTION IS MADE FINAL**. See MPEP § 706.07(a). Applicant is reminded of the extension of time policy as set forth in 37 CFR 1.136(a).

A shortened statutory period for reply to this final action is set to expire THREE MONTHS from the mailing date of this action. In the event a first reply is filed within TWO MONTHS of the mailing date of this final action and the advisory action is not mailed until after the end of the THREE-MONTH shortened statutory period, then the shortened statutory period will expire on the date the advisory action is mailed, and any extension fee pursuant to 37 CFR 1.136(a) will be calculated from the mailing date of the advisory action. In no event, however, will the statutory period for reply expire later than SIX MONTHS from the date of this final action.

Any inquiry concerning this communication or earlier communications from the examiner should be directed to Nicholas D. Rosen, whose telephone number is 571-272-6762. The examiner can normally be reached on 8:30 AM - 5:00 PM, M-F.

If attempts to reach the examiner by telephone are unsuccessful, the examiner's supervisor, Jeffrey A. Smith, can be reached on 571-272-6763. The fax phone number for the organization where this application or proceeding is assigned is 571-273-8300. Non-official/draft communications can be faxed to the examiner at 571-273-6762.

Information regarding the status of an application may be obtained from the Patent Application Information Retrieval (PAIR) system. Status information for published applications may be obtained from either Private PAIR or Public PAIR. Status information for unpublished applications is available through Private PAIR only. For more information about the PAIR system, see http://pair-direct.uspto.gov. Should you have questions on access to the Private PAIR system, contact the Electronic Business Center (EBC) at 866-217-9197 (toll-free). If you would like assistance from a USPTO Customer Service Representative or access to the automated information system, call 800-786-9199 (IN USA OR CANADA) or 571-272-1000.

Nicholas D. Rosen

NICHOLAS D. ROSEN
PRIMARY EXAMINER

June 29, 2007